

**SWRK4020: Social Work Practice in  
Industrial Setting**

**THE CONTRACT LABOUR  
(REGULATION AND ABOLITION)  
ACT,1970**

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# OBJECT OF THE ACT

To prevent exploitation of contract labour and also to introduce better conditions of work.

## **Chapter / Section 1** : Short title, extent, commencement and application

1. This Act may be called the Contract Labour Act, 1970.
2. It extends to the whole of India
4. It applies:-
  - a) To every **establishment** in which 20 or more workmen are employed or were employed for the twelve months as contract labour.
  - b) To every **contractor** who employs 20 or more workmen for the twelve months.

## 5. Act does not apply to:-

- a) Intermittent nature (*Irregular Interval*)
- b) Work not perform for more than 120 days
- c) Seasonal nature

# Chapter 1: Section 2 : Definitions

## Sec 2 (c) CONTRACTOR

**“Appropriate Government”**: Central or State

**“Contractor”**, in relation to an establishment, means a person who undertakes to produce a given result for the establishment, other than a mere supply of goods or articles of manufacture to such establishment, through contract labour or who supplies contract labour for any work of the establishment and includes a sub-contractor.

## Sec 2 (i) WORKMEN

**"workman"** means any person employed in or in connection with the work of any establishment to do any skilled, semi-skilled or un-skilled manual, supervisory, technical or clerical work for hire or reward, whether the terms of employment be express or implied, but does not include any such person.

## **Principal Employer:**

- Head of Department or office
- Occupier/Owner
- Owner or agent of Owner
- Any person responsible for supervision

**“Wages”** As per section 2 of the Payment of Wages Act, 1936

## Chapter 2: ADVISORY BOARDS

- **Central Advisory Contract Labor Board**
  - Chairman (appointed by the Central govt.)
  - Chief Labor commissioner
  - Members 11-17
  
- **State Advisory Contract Labor Board**
  - Chairman
  - Labor commissioner (or any other person by Govt.)
  - Members 9-11



## Chapter 3

# REGISTRATION OF ESTABLISHMENTS EMPLOYING CONTRACT LABOUR



- Appointment of Registering Officers:
- Registration of certain Establishments.
- Revocation of Registration: Registering Officer can do -  
misrepresentation or suppression of any material fact by  
establishment

**CHAPTER IV**  
**LICENSING OF CONTRACTORS**

- Appointment of licensing officers: appropriate Government, Gazetted Officers
- Licensing of contractors: related to Contractor
- Grant of licences- Special Consideration (location of the establishment, the nature of process)
- Revocation, suspension and amendment of licences
- Appeal

# Licensing of contractors

1. With effect from such date as the **appropriate government** shall undertake or execute any work through contract labour except under and in accordance with a **licence issued on that behalf by the licensing officer**.
2. Provisions of this act may contain such conditions including,
  - Hours of work
  - Fixation of wages
  - Other essential amenities

## Section 13: Grant of licences

1. Every application for the grant of a license shall be made in the prescribed form and shall contain the particulars
2. The licensing officer may make investigation
3. A license granted shall be **valid for the period specified** therein and may be renewed from time to time

## Section 14: Revocation, suspension and amendment of license

If the licensing officer is satisfied, either on a reference made to him in this behalf or otherwise, that-

- a) Obtained by **misrepresentation or suppression** of any material fact
- b) **Failed to comply with the conditions** subject to which the licence has been granted

## Process of registration and License

- Apply in form I for registration in triplicate copy along with prescribed fees ( Rs.500/- ).
- Apply in form IV for license in triplicate copy along with license & security fees ( Rs.370/- per worker Generally in all cases- Refundable)
- For license form V is given by Principal employer to contractor.



## Provisions for temporary registration & license

- For work of immediate nature Principal employer/ Contractor can apply for temporary registration/ license which is valid up to 15 days only.

## **CHAPTER V**

# **WELFARE AND HEALTH OF CONTRACT LABOUR**

- Canteens: No of canteen, foodstuff
- Rest Room; Light and Ventilation
- Drinking water and Washroom facilities
- First-aid facilities
- Liability of principal employer in certain cases:  
*(If any amenity required to be provided for the benefit of the contract labour employed in an establishment)*
- *Responsibility for payment of wages.-*

## **Responsibility for payment of wages**

1. A contractor shall be responsible for
  - Payment of wages to each worker employed by him
  - Shall be paid before the expiry of such period as may be prescribed.

**CHAPTER VI**  
**PENALTIES AND PROCEDURE**

**CHAPTER VII**  
**MISCELLANEOUS**

## References:

- Bhatia S.K. (1980). Personnel Management and Industrial Relations. New Delhi: Deep and Deep Publications.
- Sarma, A.M. (2005). Aspects of Labour Welfare and Social Security. New Delhi: Himalaya Publishing House.

Thank you